



THE CITY OF SAN DIEGO

## **PRESS RELEASE**

### **San Diego Ethics Commission**

**FOR IMMEDIATE RELEASE**

Friday, August, 9, 2002

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**Ethics Commission Announces Resolution with Lincoln Club**

*Process for Handling Independent Expenditures Agreed to by City and Lincoln Club*

**SAN DIEGO** -- Dorothy Leonard, Chairperson of the San Diego Ethics Commission, announced today that on August 8, 2002, the Commission approved a stipulation that resolves all factual and legal issues between the Commission and the Lincoln Club of San Diego County. The Lincoln Club had been the subject of a Commission investigation into independent expenditures it made in connection with the March 5, 2002, primary election for City of San Diego Council candidates. The investigation focused on allegations that the Lincoln Club received organizational contributions in connection with the expenditures, a practice which is prohibited by the City's Election Campaign Control Ordinance [ECCO].

In the settlement, the Ethics Commission acknowledges that the Lincoln Club has been sincere and has cooperated fully with Commission staff in assisting with the investigation.

**Only Individual Contributor Funds were used in Lincoln Club Independent Expenditures**

The Lincoln Club has demonstrated to us that they have complied with the spirit and intent of ECCO by making independent expenditures for candidate elections from contributions collected only from individuals, says Leonard.

**Cooperation and A Good Faith Effort@ to Comply with Law Cited**

In addition, according to Leonard, the settlement provides that a fine is not warranted because of the Lincoln Club=s A good faith efforts to comply with ECCO, the technical nature of the violation, and the general agreement that a legislative review is needed with regard to the regulations contained in ECCO pertaining to contributions to committees that make independent expenditures.@

AThe real value of the settlement,@ says Leonard, Ais that the Commission and the Club have agreed upon a process for segregating and disclosing campaign contributions in a manner that gives the public transparency and confidence that political contributions being used in City of San Diego elections are being collected and used in compliance with San Diego=s Election Campaign Control Ordinance.@ Leonard concedes, however, that Athere are issues and problems with reconciling San Diego=s local law with requirements also imposed by the state.@ She says, AAs we have represented to the City Council and the public, the Ethics Commission intends to hold a series of workshops after the November general election to explore changes to the law and to bring those recommendations forward to the City Council for consideration.@"

**Lincoln Club President Praises Ethics Commission**

Scott Barnett, President & CEO of the Lincoln Club of San Diego, praised the work and conclusion reached by the Ethics Commission. AFrom the beginning, our goal has been to fully comply with the law, while maintaining our constitutional right to participate in city elections. We are pleased that the Commission recognized that we only used individuals= contributions for our independent expenditures.

AIN addition, we are extremely grateful that we were able to work together in a good faith effort to develop a reasonable, yet un-burdensome, process for ensuring that the public remains fully aware of the campaign activities of the Lincoln Club and other organizations choosing to participate in City elections. Much credit for this result goes to the Commission, Mr. Walker, and his staff,@ said Barnett.